

EMBASSY OF THE UNITED STATES OF AMERICA

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<u>Assistant Secretary Babauta Signed Palau Grant</u>

Assistant Secretary of the Interior for Insular Areas, Tony Babauta signed a grant in the amount of \$6,992,000 to provide the Republic of Palau operations and maintenance assistance under the Compact of Free Association. The financial support provided by this award will ensure that government education and health care operations in Palau will continue uninterrupted and is in addition to \$2.1 million already awarded for the same purpose on October 24, 2010.

Although economic assistance provisions under the 1994 Compact of Free Association between the United States and the Republic of Palau were set to expire after 2009, the U.S. has continued to provide operating funds to Palau through fiscal year 2010 and 2011 appropriations acts. Assistant Secretary Babauta commended President Toribiong for his continued leadership and vision for the people of Palau. This continuing assistance reaffirms the close partnership between the U.S. and Palau.